



Special Edition
April 19, 1985

Report of the Budget Cutback Task Force

The following report was commissioned by the Board of Governors in November, 1984. The seven-member task force that prepared the document submitted its findings to the Board's Finance Committee last Thursday. After receiving the report, the Finance Committee requested that the contents be distributed to the Concordia community. In preparation for considering the matter at the May meeting of the Board of Governors, the Rector requests that any comments be forwarded to him by May 3, 1985.

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1. Background

The Budget Cutback Task Force was established subsequent to a Board of Governors' resolution on November 13, 1984. The Task Force was made up as follows:

G. Martin, Vice-Rector — Chairman
M. Singer, Provost, Arts and Science
F. Papineau, Director, Physical Plant
B. Sahni, Chairman, Department of Economics
R. Cheng, Professor of Mechanical Engineering
B. Smart, Associate Registrar
S. White, Student

with support from
D. Vibrans, Treasurer's Office

The Committee's mandate was to review the budgets of all areas of the University which are admissible for Government funding, and to recommend areas where either expenditure cuts could be made or additional revenue could be earned. These cuts or revenue were to total three million dollars on an annual basis.

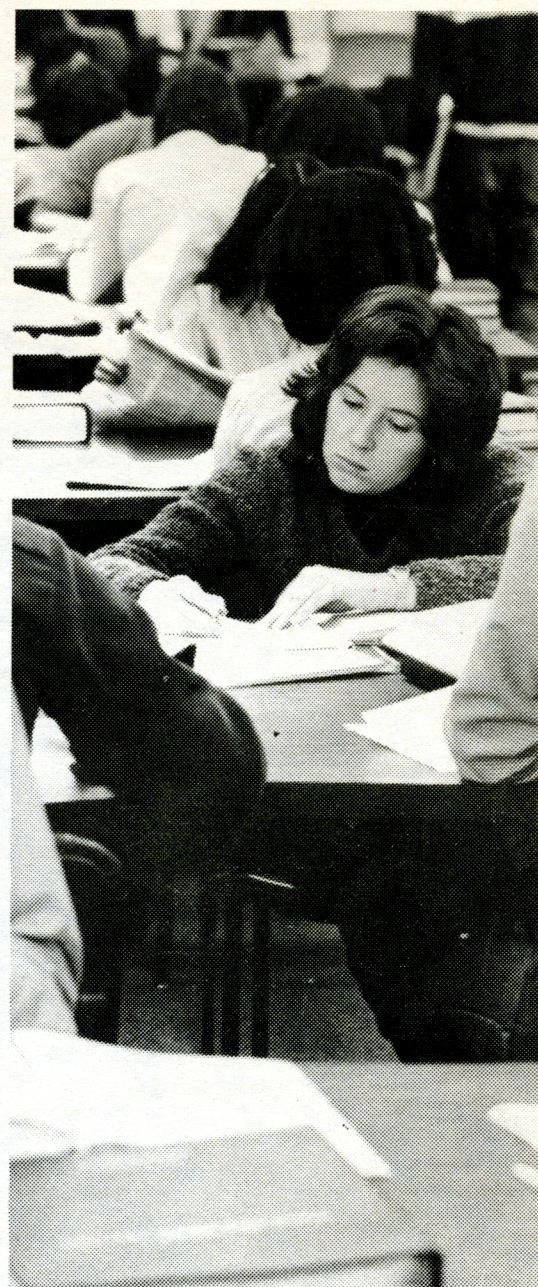
The mandate further indicated that to the extent possible, these cuts should not compromise the quality of education in the University and should also respect the personnel policies of the University. The Task Force was not mandated to recommend the abolition of specific academic programs.

In setting the context for the Task Force it is important to realize that this operation follows a similar committee in 1980-81 which cut the budget by 3.4 million dollars. It also follows a three-year period of cutback by attrition which has seen a consistent reduction in establishment positions particularly in

support areas. The University's total admissible budget is 95 million dollars which appears to indicate that a cut of only three per cent was required. However, because over seventy percent of the budget is in full-time salaries, the target was very difficult to attain.

The work of the Task Force started in earnest after the Christmas break. It met over thirty times, normally for half-day sessions, but with several full-day and Saturday meetings. It met with all Administrative Department Heads and Deans, as well as Vice-Rectors and Rector. It requested department heads to provide detailed proposals for reductions up to 10% of the department's current budget and to explain the impact of such cuts. Department heads were also requested to provide input on possible revenue generation within the University, as well as other areas where savings could be made.

Those appearing before the Task Force generally recognized the serious nature of the financial problems facing the University and the need for action. It soon became apparent that virtually all areas of compression in the University had already been exhausted by the cutbacks in the 1980-81 period and the subsequent attrition policy. The Task Force made a general appeal to members of the University community and some suggestions were received. The response, however, was less than expected. The Task Force wishes to commend the serious approach taken by those making presentations to it. It regrets however, that decisions to make new funding commitments (e.g. the Status of Women) were not held back pending this report. It feels these decisions affected the credibility of the Task Force recommendations.



II. General Principles

In tackling its work, the Task Force developed several general principles. These are to a certain extent enunciated in its mandate but worthy of emphasis here.

Firstly, in its choice of cutbacks, the Task Force endeavoured to minimize negative effects on the quality of education in the University. The Task Force wishes to emphasize the word "minimize," as almost every cut proposed will have some effect upon the educational process. There is virtually no "marge de manoeuvre" left. With this in mind, the Task Force tried to minimize the effect firstly on students, secondly on the faculty and staff and thirdly on the services offered to the general public.

One area where the conflict between money and quality was apparent was in the question of increasing fees. The Task Force felt that the quality of the University's academic offerings must be maintained and that it is preferable, if the option exists, to charge more rather than to lessen that quality. Unfortunately, the Quebec Government's method of handling revenue limits the scope of this option. In many cases, additional revenue would serve to reduce our Government grant and would not allow the University to offset the cutback in quality.

Another general principle, enunciated in the mandate, related to existing personnel policies and collective agreements. It appears that the full cost impact of the recent CUFA agreement has not yet been felt. In particular, the costs of the workload clauses are

only just becoming apparent. This agreement limited the Task Force's alternatives. Because of the fact that 70% of the budget is in full-time salaries, the Task Force found it difficult to proceed. It also recognized that substantial reduction has taken place in many areas over the past couple of years. Nevertheless it has recommended in several cases that a special attrition policy be undertaken whereby departments would be required to reduce their staff establishment by a certain number of positions over the next two years.

Thirdly, the Task Force tried to evaluate each cut individually. It tried hard to avoid across-the-board cuts as it was felt that such cuts were not conducive to the good operation of the University. It found that each unit's needs were different and acted accordingly.

Finally, the Task Force was concerned with avoiding undue duplication. It must be recognized that operating on two campuses can and does generate some extra costs. Where possible, the Task Force has recommended steps to lower these costs. While it is desirable in some cases to duplicate services on each campus, it may not always be feasible to do so in this time of economic constraint. On the other hand, the Task Force was aware that perceived duplication is not always real duplication. There are cases where removal of duplication will not save a significant amount and could create a strong chance of a reduction in the quality of service through over centralization and bureaucratization.

III. Detailed Recommendations

The Task Force has broken down its recommendations into four categories. These are detailed expenditure cuts; areas for staff reduction; specific revenue increases; and enrollment related increases. The nature of these recommendations is different. In the case of the first and third, the savings are fairly firm and can be acted on immediately. In the case of the second, the savings generated will only arrive over a longer term period; while in the last case, the predictions of revenue generation are dependent upon the current funding formula continuing. As the Task Force is well aware, Government formulas do not last very long.

A. Expenditure Cuts

DETAILED LIST OF EXPENSE CUTS 1985 — 86

1. Faculty of Arts and Science:

- .1 Phase-out of support for the Inter-University Centre for European Studies (\$20,000 over three years: \$10,000 — \$5,000 — \$5,000) \$10,000
- .2 Phase out support for Centre d'Etudes de Quebec (\$15,000 over two years: \$10,000 — \$5,000) 10,000
- .3 Cancellation of vacant secretarial position in the Institute for Applied Economic Research and phase-out of other support over three years. (\$51,000 over three years: \$25,000 — \$13,000 — \$13,000) 25,000
- .4 Non replacement of retiring staff position and reclassification of a position 36,000
- .5 Savings in part-time teaching costs through reduction of science electives and consolidation of sections — 20 sections affected 40,000
- .6 Reduction of Science laboratories from 4 hours to 3 hours at 200 level (3 hour labs are the norm at other universities) 50,000
- .7 Cancellation of vacant staff positions and reduction to part time of one position 77,900

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 - .8 Cancellation of academic positions in Health Education — balance of transfers to other areas 86,800
- \$335,700

2. Fine Arts

- .1 Savings in part-time teaching costs through a reduction in the number of sections taught (The number of sections taught in this Faculty increased drastically in 1983-84 and the average section size decreased substantially at the same time) \$75,000

3. General Academic

- .1 Reduction of 10% in the Faculty travel budget (see section IV.F) 50,000
 - .2 Reduction of the books and subscriptions allowance (\$50 per faculty member from \$100) 35,000
- \$85,000

4. Graduate Studies Office and Research Office

- .1 Reduction in number of copies of graduate calendar \$6,000
 - .2 Reduction in the non-salary budget of Research Office 1,000
- \$7,000

5. Library

- .1 Reduction in travel and contracted services \$22,500
- .2 Reduction in monograph acquisition budget (The monograph and subscription budget was increased by \$500,000 in 1983/84 to \$1,750,000) 40,000

- .3 Reduction in processing costs related to 5.2 27,500
 - .4 Reduction in part-time salary and supplies for Archives 9,600
- \$99,600

6. Audio-Visual Department

- .1 Reduction in repeat showings of films \$2,000
 - .2 Cancellation of a vacant staff position 22,000
 - .3 Reduction of materials budget in Photography and Graphics (These amounts to be charged to users) 16,000
 - .4 Savings from sales tax rebate 7,500
- \$47,500

7. Public Relations

- .1 cancellation of vacant staff position \$47,500
 - .2 Reduction in number of issues and copies of the Concordia University Magazine (if additional copies are required for the Capital Campaign, they should be charged to it) 30,000
 - .3 Reduction in travel and development budget 5,200
- \$82,700

8. Development and Alumni

- .1 Charge to the Capital Campaign the salaries of those working on it \$134,000

9. Admissions and Liaison Offices

- .1 Cancellation of a vacant position in Liaison and one created by retirement with some increase in part-time budget \$64,700
 - .2 Reduction in Liaison supplies and materials budget 8,000
 - .3 Savings due to calendar automation 11,000
 - .4 Savings in overtime in Advertising Department 2,700
- \$86,400

10. Registrar

- .1 Reduction in overtime \$8,600
 - .2 Savings resulting from printing the final class schedule on newsprint 6,700
- \$15,300

11. Treasurer's Office

- .1 Cancellation of vacant position and reclassification of another \$55,300



12. Human Resources Office

.1 Savings resulting from closing the Loyola Campus Office — current volume through this office is negligible (certain services will be handled through other departments and the rest through the central department)	\$10,000
.2 Reduction in professional labour relations consulting fees	30,000
	\$40,000

13. Physical Resources

.1 Cancellation of two vacant positions and one caused by retirement	\$86,000
.2 Savings resulting from an energy audit on the Loyola Campus	25,000
.3 Savings resulting from internal maintenance of alarms, punch clocks, etc.	2,000
.4 Charge Planning Office out-of-pocket expenses for capital projects to Capital Budget	3,000
.5 Cancellation of vacant position in Planning Office	18,800
	\$134,800

14. Mail, Purchasing, Distribution & Security

.1 Cancellation of Norris mailroom full-time position and cutback on part-time budget	\$23,800
.2 Cancellation of vacant positions in Purchasing	58,700
.3 Cancellation of one administrative position in Security	38,200
	\$120,700

15. Rector and Vice-Rectors

.1 Savings resulting from reorganization of Rector's Office	\$39,600
.2 Cancellation of funding for French courses (Not used for last two years)	15,000
.3 Cancellation of vacant secretarial position in the office of the Vice-Rector, Academic	23,000
.4 Vice-Rector Administration and Finance — non-salary budget reduction	10,000
	\$87,600

16. General

.1 Telephones Savings resulting from introduction of WATS long distance service	\$25,000
(The new telephone system might reduce costs somewhat but the Task Force felt that details were	



too indeterminate at this time and therefore did not assume any savings)	
.2 Printing Reduction of 5% in photocopier budgets to reflect decreased costs	15,000
.3 Administrative Travel Reduction of 10% in all administrative travel budgets	20,000
.4 Conservatory of Cinematographic Art Reduction in operating subsidy (for details see section IV.C)	40,000
.5 Institute for Comparative Physical Education Elimination of the admissible grant to this Institute (staff are to be relocated or costs borne outside the admissible budget)	30,600
.6 Art Gallery Reduction in supplies budget	2,000
.7 Conference and Information Centre Reduction in supplies budget	1,000
.8 Occupational Health and Safety Office Reduction in non-salary budget	1,000
	\$134,600

TOTAL EXPENDITURE REDUCTION 1985-1986**\$1,541,200****ADDITIONAL EXPENDITURE REDUCTION IN FUTURE YEARS:**

	1986-87	1987-88
Reference		
1.1 Institute for European Studies	\$5,000	\$5,000
1.2 Centre d'Etudes de Quebec	5,000	
1.3 Institute for Applied Economic Research	13,000	13,000
16.4 Conservatory of Cinematographic Art	20,000	
TOTAL	\$43,000	\$18,000

B. Staff Reductions

In the following cases, the Task Force recommends that the units concerned reduce their staff complement by the numbers shown as a result of attrition over the next two years. This will result in savings

over the next three years. The Task Force recognizes that such attrition may not occur in the areas most desired and that indeed transfer of responsibilities from one person to another in the University will probably be required. Nevertheless, it feels that it is essential that these reductions be made if the overall target is to be reached.

1. Focused Attrition

The Task Force was made aware of certain positions which could be closed if other work could be found for the occupant or if, in certain cases, the occupant could be persuaded to retire.

Arts and Science — 4 positions	\$143,000
Computer Centre — 3 positions	60,000
Institutional Research — 1 position	
Conference and Information — 1 position	
Rector's Office — 1 position	207,500
Vice Rector Admin & Fin. Office — 1 position	
Asst. V.R. Admissions Office — 2 positions	
Graduate Studies (see section IV.A)	75,000
	\$485,900

2. Unfocused Attrition

The Task Force felt that certain departments could, because of their size, absorb a shrinkage of one or two positions.

It is proposed that these departments be instructed to prepare a plan whereby when vacancies occur as a result of normal turnover, the requisite reductions occur. These reductions must be achieved within two years.

Commerce and Administration — 2 positions	\$40,000
Engineering and Computer Science — 2 positions	50,000
Fine Arts — 1 position	25,000
Library — 3 positions	66,000
Computer Centre — 2 positions	50,000
Audio Visual — 1 position	22,000
Registrar's Office — 2 positions	42,000
Treasurer's Office — 1 position	25,000
Human Resources — 2 positions	45,000
Physical Resources — 2 positions	38,000
Distribution — 1 position	20,000
Rector's Office — 1 position	25,000
	\$448,000

CUMULATIVE ATTRITION	\$933,900
(\$300,000 by 1985-86)	
(\$800,000 by 1986-87)	
(\$933,900 by 1987-88)	

C. Specific Revenue Charges

The Task Force recommends the following fee increases and specific additional charges. These fee recommendations are made in light of the current Government of Quebec policy regarding fees and it is essential that prior to their implementation the University verifies that in fact it can benefit from these increased fees. The Task Force also cautions that should the Government change the fee structure for students significantly, these recommendations should be reviewed.

1. Internship Fee

The University should establish a fee of \$100 per term or internship in which the student is paid. In several programs the student earns substantial amounts in positions which the University arranges. This fee will help offset the costs of this special placement service. The units affected will include:

Institute for Co-operative Education	\$15,000
School of Community and Public Affairs	3,000
Teaching of English as a Second Language	6,500
	\$24,500

Students in non-paying internships will not be charged.

2. Increased revenue from Library **\$17,500**

3. Increased research charges for the Computer Centre **\$50,000**

The charges made by the Computer Centre do not accurately reflect the reality of the resources used. Currently the Centre receives only \$45,000 on a research volume of over 7 million dollars. The Task Force feels this is unrealistic and must be increased either by a general tax on all research or some other method.

4. Increased charges to Continuing Education for use of Language Labs. **\$3,000**

5. Application Fee — \$15 per application **\$225,000**

It was pointed out that Concordia is the only Quebec university not recovering some of its costs for processing applications by an application fee.

6. Course Change Fee **\$70,000**

Increase from \$5 to \$10 per form processed. Each form can have several changes on it. There will still be no charge for dropping a course. This move was recommended by the Registration Committee.

7. Convocation fee increase from \$30 to \$40. **\$30,000**

8. Library Photocopying **\$45,000**

This is the net outcome of a newly negotiated agreement by the Printing and Purchasing Departments effectively reducing the cost of coin operated photocopying machines.

**TOTAL INCREASED FEE REVENUE
(1985-86) \$465,000**

D. Enrollment Increases

The Task Force feels that the following enrollment increases can be absorbed by the University with little increase in cost. The Task Force has conservatively estimated the revenue based on previous experience. Should the granting formula continue for another year, the amounts indicated would be earned. The Task Force, however, is concerned that the formula could be changed and hence these amounts might not be generated.

1. Commerce and Administration

The Task Force was struck by the fact that over the past three years this faculty simultaneously reduced its full-time equivalent student enrollment by 20% while increasing its full-time teaching establishment by over 16%. Given this, the Task Force has no hesitation in recommending that the admissions quota for this faculty should be increased by 200 full-time students, with no increase in resources to the Faculty.

\$404,000

2. Engineering and Computer Science:

There is no doubt that this Faculty is near capacity particularly in the engineering programs, but there is some evidence that the undergraduate program in Computer Science can take further students. The Task Force recommends that the quota for new Computer Science students be increased by 10 students with no increase in resources to the faculty.

\$32,000

3. Arts and Science:

With the exception of some quota programs, this Faculty is already accepting most qualified applicants.

The Task Force has been informed that the Faculty could admit an additional 40 students primarily into Science programs. The budget cuts indicated for Division III (Science) would limit its capacity and therefore the Task Force recommends that it be granted \$1000 per new student added.

\$135,000

**TOTAL REVENUE FROM
ENROLLMENT**

\$571,000

(in fiscal 1986-87)

E. Summary Profile of Proposed Budgetary Changes

In preparing its report the Task Force recognized the fact that some cuts were immediate and firm while others were less well defined and delayed in timing. The table below attempts to show the estimated effect of the Task Force's recommendations on an annual basis over the next three years.

Annual Budget Changes (compared to 1984-85)

	1985-86	1986-87	1987-88
A. Expenditure cuts	\$1,541,200	\$1,584,200	\$1,602,200
B. Attrition	300,000	800,000	933,900
C. Fee Revenue	465,000	465,000	465,000
D. Enrollment Revenue	0	571,000	571,000
Total budget change	\$2,306,200	\$3,420,200	\$3,572,100

IV. Other Organizational Recommendations

A. Dean of Graduate Studies/Associate Vice-Rector, Research

The essence of this recommendation is to integrate the offices of Dean of Graduate Studies and Associate Vice-Rector, Research, into a single unit which will concentrate on research matters and on the evaluation and appraisal of graduate programs. The administrative work currently performed by the Office of the Dean of Graduate Studies will be reallocated to other units which are either already doing that work in parallel, or could undertake additional tasks at reduced cost. To accomplish this, the Task Force recommends the following:

1. The return to teaching of at least one senior administrative officer. There will be attendant secretarial savings also.
2. The function currently performed by the Research Office should continue.
3. The functions related to the Board of Graduate Studies and the appraisal of programs should continue under this new office.
4. The admissions function should continue to be done by academic departments as at present. Official confirmation should be issued by the Registrar's Office.
5. The administrative record-keeping function presently undertaken by the Dean of Graduate Studies, which is in effect a duplication in that it duplicates work done by both the Registrar and the academic departments, should cease. Current functions should be reallocated either to the academic departments or the Registrar's Office, as appropriate. This should generate a saving in support personnel.
6. The production and binding of theses should be handled by departments through

a contract arranged by the purchasing Department.

7. The function of liaison for graduate student awards should be reviewed and either integrated with the Dean of Students office and funded by the Concordia Council on Student Life, or taken on again by the Research Office as was done previously.

8. The production of the graduate calendar should be assigned to the group currently handling the undergraduate calendar, with no additional resources. The number of copies of the calendar being produced should be reduced.

The Task Force feels that the oft discussed integration of these two operations should take place as soon as possible.

B. Integration of Alumni, Development, Public Relations and Advertising

The Task Force realizes that the reorganization currently under way at the senior administrative level provides for this integration. It supports this move. It feels that there are too many separate units, each with its own senior head, and while it is evident that coordination is underway between them, it nevertheless finds that the overhead involved could be reduced.

In line with its mandate, the Task Force decided that the budgets of these areas could be reduced without directly affecting the quality of the educational process as it impacts upon students, faculty and staff. It recognizes that the Capital Campaign may well justify a temporary infusion of resources in this area. It recommends, however, that this temporary infusion should be clearly identified as Capital Campaign related and that steps must be taken at the end of the period either to reduce the expenditures or to ensure that fiscal returns more than cover the cost of operation.

C. Conservatory of Cinematographic Art

The Conservatory of Cinematographic Art was raised as a matter of concern by various department heads. The Task Force studied this unit carefully because of the multiple roles that the CCA plays. It is obvious that though the University provides a community service through the CCA, the latter fails to acknowledge in its advertising the fact that it is part of Concordia University. It holds a valuable archival film collection on behalf of the University, but appears to create antagonism by charging commercial rates to departments of the University or, indeed, not allowing access to the collection at all. It generates positive contact for the University by participating in cultural film events; however, it apparently uses its staff to work on other projects not affiliated with the University.

The University provides significant support, both directly and indirectly, to the CCA.

1. The University should rationalize this support and be convinced that the benefits are commensurate with the cost. To that end,

- .1 The salary and benefits of the Director should be transferred from the French Department to the CCA.
- .2 The cost of the office and related space, excluding H110, should be determined and charged to the CCA.
- .3 The cost of maintenance of the University film collection should be determined.
- .4 A costing structure to provide the billing for services to external agencies (e.g. World Film Festival) should be developed and implemented.

2. The University should only fund, from the total real operating cost of the CCA, the component related to the film collection. The rest of the operation should be on a break-even basis.

3. The Task Force is prepared to recommend that the CCA be allowed to get to this position over a two-year period, but recommends that the grant for 1985-86 should be reduced by \$40,000, with the cut offset by charges to external projects or by higher admission fees.

4. Further, all CCA advertising must include credit to the University.

D. Research

The subject of research caused the Task Force a fair amount of concern. On the one hand, research is an integral part of the educational mission of a university and Concordia has been notably successful in increasing its activity in this area over the last few years. On the other hand, only the direct costs of research are currently funded (with the exception of some contract research). The indirect costs, whether through the reduction of the faculty members' teaching load, or through demands on space and all the supporting services of the University, are not funded and, as such, expanded research activity strains the resources available to the rest of the University. Various studies indicated that the cost of this support is from 50% to 80% of the direct cost. Is the price of success to be poverty?

The Task Force has had to recommend that continued direct financial support for some research related institutes should be curtailed. It does so very reluctantly and only as a result of a Hobson's choice of alternatives. The Task Force, indeed, urges that these activities be continued if possible, but funded from without the admissible budget.

The Task Force was also made aware of the revenue from overhead on contract research. It learned that, of the revenue obtained from overhead, only half went to the general revenue of the University. The balance (approximately \$60,000 per year) was returned to the Deans to encourage further contract research. In fact, contract research has been stable and not increasing over the last three years. Further, the Task Force learned that some Deans did not promptly spend the money to support this objective. It therefore recommends that the present practice of allocating contract research overhead to Deans be discontinued. While it is tempted to suggest that the portion allocated to Deans be put into general revenue, it does not do so but suggests that the Vice-Rector, Academic, in consultation with the Deans, review this subject and use this money to provide support to research activity more directly and to encourage the commercial exploitation of the results of the research.

E. Incentives for Retirement

It is apparent that the University is facing a problem in this area as a result of Bill 15 and the aging population. After considerable discussion with the Human Resources Department and within the Task Force, it can only recommend that this matter requires further study. The present system of incentives which requires payment of cash settlements obviously incurs an "up front" cost. The return on this "up front" cost may not be achievable for the following two or three years; however, at that stage, some substantial savings could result, particularly on the faculty side, where it may be possible to replace a high-salaried older faculty member by a younger one at a lower salary. The same applies somewhat on the administrative side, but its impact is lessened by fixed wage scales and salary ceilings.

The point was made that a primary factor preventing early retirement was ignorance of alternatives. The Task Force therefore supports Human Resources' proposals to improve pre-retirement counsel and planning and to use this method to encourage retirement. The question of the aging of the University should be addressed very seriously, as over the next five to ten years, this aging will result in an increased cost and restrict the infusion of new blood and possibly affect the quality of education.

F. Travel

The question of travel was raised in various submissions to the Task Force. In the opinion of the Task Force, the amount spent on travel is not high and certainly does not include much margin for cut-back. The case was made that the criteria used to allocate travel funds differed greatly from faculty to faculty. The Task Force therefore recommends that the Vice-Rector, Academic, review the criteria for allocation of travel monies in the academic side of the University with a view to developing common criteria and standards and, in the process, achieving a reduction of approximately 10%, or \$50,000 in travel costs. The Task Force felt that in the allocation of funds, junior members should get special consideration.

While the situation on the administrative side is different, nevertheless it was felt that the appropriate administrative Vice-Rectors should review the travel expenses in their area and achieve a similar reduction of approximately 10%. This would generate in the neighbourhood of \$20,000.

V. General Recommendations

A. Priorities

Time and again in presentations to the Task Force, the need for overall priority setting was emphasized. The Task Force perceived that in some presentations this explanation was a convenient excuse. At the present moment, the impression in various areas of the University is one of perpetual reaction to short term problems. Support services find themselves having to react to demands which are "top priority" at a given moment. As a result, they try to be all things to all people and lack a clear sense of direction. The Task Force therefore recommends that the senior administration initiate an annual review of departmental and University level priorities.

B. Costing and Benefits of New Initiatives

Related to the above need for priorities is, in the Task Force's opinion, the need for a better cost/benefit analysis of projects requiring new funding. The point was highlighted to the Task Force by comments in the Library's presentation on a new automated system, which would cost a million dollars but which would produce little or no savings. It was reinforced by negative comments to the Task Force on commitments undertaken concerning the Status of Women, where new funding was allocated despite the financial situation and indeed while the Task Force was meeting. Other examples include the Concordia University Magazine, Tenth Anniversary Celebrations, advertising and similar.

It is the opinion of the Task Force that all too often new initiatives are approved without due consideration for their costs. As new funding is not available, they simply become a further drain on the existing resources, requiring departments to spread themselves thinner and thinner. Indeed, the Task Force feels that if all of these proposals were implemented, we might finish up with a highly innovative organization going bankrupt.

The Task Force therefore recommends that the Administration develop a standard method of cost/benefit analysis for new projects. This analysis should be required before these projects are approved and regular reports should be required to ensure that costs are not exceeded and that the projected benefits are realized.

This technique would also permit the senior administration to judge and schedule the impact of such projects so that they are not all clustered in one budget year.

C. Budget Realism and Control

With one or two conspicuous exceptions, those responsible for University budget control have kept reasonably close to their authorized limit of expenditure. In several areas, however, changes in the level of expenditure have been approved with no concomitant adjustment to the budget. The responsible officers quite reasonably complain that this leaves them in a difficult position to exercise control of expenditures and indeed threatens to undermine the use of an approved budget as the primary tool for expense control.

The Task Force urges the Administration to review all department/Faculty budgets and to ensure that such budgets accurately reflect approved levels of expenditure.

A second area of concern to the Task Force is budget control during a transition period. In the current structure, a significant number of senior administrators will probably be changing responsibility. During these transitions, care must be taken to ensure budget control of the units under their jurisdiction, and continuity.

The Task Force is specifically concerned with the upcoming reorganization of Arts and Science. It is essential that the new structure not cost more than the old.

D. Duplication

In its search for possible areas for saving, the Task Force became aware of several duplications of function. Where it was able clearly to identify a cost saving, it recommended an organizational change. There remain other cases which it feels merit further study to determine if there would be improvements in efficiency and/or cost saving if duplication were to be eliminated. Examples of the above include the areas of training in micro computers done by Human Resources, Computer Centre, and Learning Development; photographic darkrooms (there are apparently fifty-two in the University!); and similar courses taught by different faculties.

The Task Force does not feel that it identified all areas of duplication, nor does it propose a ruthless elimination of them since, in some cases, there are advantages to the present situation. Rather, it is the Task Force's opinion that a university, which is by its very nature a diverse organization, should be consciously aware of duplication of facilities and constantly reviewing the advantages of centralization versus decentralization of common services.

E. Program Freeze

The point was made to the Task Force that in numerous cases academic programs are approved on a "no cost" or minimal cost basis when, in fact, significant costs — either direct and identifiable or indirect, are involved. While the Task Force was not mandated to review academic programs, it nevertheless recommends the implementation of a two-year freeze on the introduction of new programs. Such a freeze should be lifted earlier only if a proper program review system is established.

VI. Conclusion

The Task Force has technically achieved its mandate to recommend areas where expenses can be cut or revenues increased. It wishes to emphasize the following points:

1. The present system of Quebec Government funding is at or beyond its structural limits. Neither this University, nor the system of universities, can tolerate further cutbacks. The Task Force welcomes the recent announcement from the Minister which supports this view.
2. The Task Force is convinced of the need to undertake formalized longer range strategic planning with a clear identification of priorities and appropriate action. The only further steps available, should the financial crisis continue, are to review, scale down, and if necessary, eliminate academic programs.
3. The present round of cutbacks and revenue generation will affect all segments of the University but this burden could not be distributed evenly.
4. Concordia's current financial crisis is caused by forces external to the University. It results from grant cutbacks which have

been applied to all universities indiscriminately. Concordia remains chronically underfunded.

5. Current financial constraints are making it increasingly difficult, if not impossible, for the University to participate in collaborative projects with other institutions and to respond innovatively to community needs.
6. Concordia's impressive research momentum gained during the past decade will be jeopardized unless resources are made available to support the required infrastructure.

If it appears that the recommendations of the Task Force only slightly affect the quality of education, this perception is false. While the Task Force has attempted to minimize the impact on the quality of education, these budget compressions, coming after those of the past few years, will further accelerate the decline in the quality of education that we offer. Students today, in this and other universities, are not getting the same calibre of education they would have received a few years ago.

The Task Force again expresses its appreciation to those who helped in this work and concludes with its opinion that

THE UNIVERSITY HAS GONE AS FAR AS IT CAN GO.

Appendix "A"

Summary of Impact on Units
(as of end of exercise)
(\$,000)

UNIT	BUDGET	EXPENSE	ATTR.	REV.	TOTAL	PERCENT
Arts & Science	33,814	376.7	143.4	159.5	679.6	2.0
Commerce	8,950		40.0	404.0	444.0	5.0
Fine Arts	6,189	75.0	25.0		100.0	1.6
Engineering & Comp.Sc.	9,263		50.0	32.0	82.0	0.9
General Academic	N/A	85.0			85.0	0.2
Grad. Studies & Research	559	7.0	75.0		82.0	14.7
Library & Archives	6,980	99.6	66.0	17.5	183.1	2.6
Computer Centre	2,946		110.0	50.0	160.0	5.4
Audio Visual	1,213	47.5	22.0	3.0	72.5	6.0
Public Relations	338	82.7			82.7	24.5
Development & Alumni	628	134.0			134.0	21.3
Admissions & Liaison	1,721	86.4			86.4	5.0
Registrar's Office	1,753	15.3	42.0	100.0	157.3	9.0
Treasurer's Office	2,041	55.3	25.0		80.3	3.9
Human Resources	953	40.0	45.0		85.0	8.9
Physical Resources	9,986	134.8	38.0		172.8	1.7
Mail, Purch. & Security	2,229	120.7	20.0	45.0	185.7	8.3
Rector & V. Rectors	2,217	87.6	25.0		112.6	5.1
General	4,087	154.6	207.5	225.0	587.1	14.4
TOTAL	\$95,867	\$1,602.2	\$933.9	\$1,036.0	\$3,572.1	3.7

